



Department for
Business, Energy
& Industrial Strategy

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Industrial Strategy

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The Rt Hon Philip Dunne MP, Chair
Environmental Audit Committee
House of Commons
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22nd January 2021

Dear Philip,

Thank you for your letter of 11 December 2020 to the Rt Hon Kwasi Kwarteng MP, regarding the Committee's survey on the Green Homes Grant Scheme.

The Green Homes Grant Voucher Scheme opened for applications on 30 September. Since then we have listened to feedback, from both homeowners and installers and I welcome the Committee's Survey as a further source of evidence on consumers' experience of the scheme.

We recognise the concerns raised by consumers and installers about the scheme's duration; as the Committee is aware, we responded to these concerns with a 12-month extension until 31 March 2022, announced as part of the Prime Minister's Ten Point Plan for a Green Industrial Revolution.

The extension will ensure that those who have not been able to benefit from the scheme due to COVID-19 restrictions will now be able to, ensuring that over 600,000 households can benefit from greener homes. It will give installers the confidence to hire and invest more in staff and training beyond March 2021, supporting the scheme to fulfil its aim of creating jobs. This change has been welcomed by installers and homeowners alike.

We also recognise that the scheme has taken some time to ramp up and deliver vouchers in large numbers. As with all schemes of this size and nature, it takes time to work through the applications, which must be thoroughly checked for compliance with the scheme rules to help ensure value for money, consumer protection, and to detect malpractice.

However, over 16,000 vouchers have now been issued, which will help deliver home improvement measures that can reduce heating bills and support the industry through a very challenging time.

We continue to work closely with the Scheme Administrator to ensure that vouchers are issued quickly, streamlining the customer application process where possible.

We understand that some homeowners find the Scheme's eligibility criteria for measures too stringent. However, the primary and secondary measure structure is

important in ensuring that households are using this government subsidy to invest in meaningful, impactful improvements to their homes and to carbon emissions.

We have also listened to feedback on difficulty accessing installers. Working in close collaboration with TrustMark providers and certification bodies, we have taken a number of actions to support installers to join the Scheme, including:

- Reducing the costs of certification by negotiating a 50% discount for the purchase of PAS standards if installers intend to work on the Green Homes Grant
- Launching a £6.9m skills competition in September to provide training opportunities for energy efficiency and low carbon heating supply chains to deliver works and scale up to meet additional consumer demand
- Reaching out to installers directly with live webinars
- Updating the Scheme's Terms and Conditions with regard to subcontracting

I am pleased to advise that as of this month, more than 1,300 companies have registered with TrustMark, of which 864 are registered for the Scheme, including many businesses that operate nationally with substantial capacity to carry out work across the country. This corresponds to an average of 77 Green Homes Grant installers per local authority area in England.

I would like to thank the Committee again for this useful survey on the Green Homes Grant, I look forward to its final report. The scheme is under continuous review, and all information to support that process is most welcome.

Yours ever,

A handwritten signature in blue ink, appearing to read 'Matthew Callanan', with a long horizontal flourish extending to the right.

LORD CALLANAN

Minister for Climate Change and Corporate Responsibility